1020102

SF File Number ADMINISTRATIVE RECORD

ARCO Coal Company

555 Seventeenth Street Denver, Colorado 80202 Telephone 303 293 4000





March 15, 1990

VIA HAND DELIVERY

Diana Shannon, Chief Superfund Remedial Branch United States Environmental Protection Agency Region VIII 999 18th Street - Suite 500 Denver, CO 80202-2405

RE: RESPONSE TO FEBRUARY 8, 1990 INFORMATION REQUEST CONCERNING EAST HELENA CERCLA SITE

Dear Ms. Shannon:

This letter is written in response to your February 8, 1990 information request concerning the East Helena CERCLA site (the "Information Request"). ARCO received the Information Request on February 13, 1990.

The Information Request provides, "The purpose of this information request is to identify fully the nature and volume of the materials handled by The Anaconda Minerals Co. at the East Helena CERCLA site . . . " As we indicated in our April 10, 1987 response to the Agency's initial request for information dated March 12, 1987, The Anaconda Company sold the East Helena Zinc Fuming Plant to ASARCO pursuant to an Agreement dated July 3, 1972, and cancelled its lease with ASARCO at the same time. (Our April 10, 1987 response, including the attached exhibits, is incorporated herein by reference.) Under the July 1972 Agreement, ASARCO purchased all zinc fuming plant facilities. ASARCO continued to operate the zinc fuming plant until 1982. While The Anaconda Company handled materials directly relating to the zinc fuming plant at the East Helena Smelter site, the Anaconda Minerals Company itself never handled materials at the East Helena site. Additionally as stated in our April 10, 1987 response, Anaconda's zinc fuming plant records were turned over to ASARCO as part of the 1972 sale. Thus, our ability to respond to questions raised in the Information Request is somewhat limited. Attachment 1 to this response provides an overview of the corporate relationship between The Anaconda Company and the Anaconda Minerals Company for your information.

Our response to specific questions in the Information Request is set forth below:

QUESTION # 1 - We have not been able to locate a copy of "Exhibit A" referred to in Exhibit 10 of our April 10, 1987 response. A copy of a map locating the zinc fuming plant is provided in Attachment 2 to this response.

QUESTION # 2 - The date on the Slag Treatment Flow Sheet (Exhibit 1 to our April 10, 1987 Response) is February 9, 1966.

QUESTION # 3 - We assume this question refers to the Chemical Analysis Table in Exhibit 2, rather than Exhibit 1 as indicated in the question. We have re-copied the "Chemical Analysis" table of Exhibit 2, and are providing the table as Attachment 3 to this response. The quality of this copy is the same as the original. We have not been able to identify an individual who can explain what the terms "residue clinker" and "residue dust" on the table mean. ASARCO may have this information.

QUESTION # 4 - "CFM" means cubic feet per minute.

QUESTION # 5 - Exhibits 1-4 of our April 10, 1987 response and Attachment 4 to this response identify materials that were generated, received or stored at the East Helena CERCLA site. These materials include: molten or solid slag from ASARCO's operations; slag from which the zinc has been extracted; pulverized coal; and zinc fume. Chemical constituents and concentrations are set forth in Exhibits 2 and 4 of our April 10, 1987 response. We are unable to verify at this time the accuracy of the information concerning chemical constituents and concentrations in Exhibits 2 and 4 or Attachment 4.

QUESTION # 6 - We have been unable to identify records that provide annual data chronologically for the period from 1927 through 1972 concerning the quantity of each material identified in response to question 5. Information that we have identified that may be responsive to this question is contained in Exhibits 2 and 4 of our April 10, 1987 response and Attachment 4 to this response. We are unable at this time to verify whether the information provided for certain time periods is representative of other time periods, or the accuracy of the information provided in Exhibits 2 and 4 or Attachment 4.

Slag from ASARCO's operations at the East Helena CERCLA Site was the source of supply for the Anaconda Company's operations. Molten slag

from ASARCO's smelter was delivered to the zinc fuming plant in approximately 5 ton ladles or cold slag was obtained from the ASARCO slag pile. The zinc fume was loaded into open gondola type hopper cars for shipment by rail car to Great Falls for further processing. Some of the fume was sold to American Chemet Corporation. See Response to Question 7.

QUESTION # 7 - Shipping and sales records of zinc fume and zinc dross sold to American Chemet Corporation are provided in Attachment 5 to this response. See also Exhibits 6-9 of our April 10, 1987 response.

QUESTION # 8 - We have assumed that the Agency is interested in annual primary and annual fugitive emissions. Information concerning annual emissions is set forth in Attachment 6. Generally, annual emissions records were not available for the period of the Anaconda Company's operations of the zinc fuming plant. ASARCO may have such records for the period of its operation of the zinc fuming plant from 1972-1982. We have not identified sufficient information at this juncture to allow us to make a "best estimate" of annual emissions.

QUESTION # 9 - Our understanding is that the "Residues and Slag Treatment Contract" referred to in the April 1, 1958 Agreement of Lease is to the "Residues and Lead Concentrates Treatment Contract" entered into on the same date. We provided a copy of the "Residues and Lead Concentrates Treatment Contract" to EPA in Exhibit 11 to our April 10, 1987 response. At your request, we are providing another copy of the Residues and Lead Concentrates Treatment Contract as Attachment 7 to this response.

Under the July 1972 Purchase and Sale Agreement between The Anaconda Company and ASARCO, which was provided as Exhibit 11 to our April 10, 1987 response, ASARCO purchased Anaconda's zinc fuming plant, "including all . . . ore piles, waste dumps, buildings, fixtures, furniture, equipment and personal property of every nature whatsoever on hand at the effective time and date and used in connection with or relating to the said plant." Article I, Paragraph 1.a. Thus, we believe that ASARCO owns all stockpiled materials, ore piles, slag and other waste materials at the East Helena site (unless ASARCO has since sold such materials to other entities).

As described in the April 1, 1958 "Agreement of Lease" which we provided to EPA in Exhibits 5, 10, and 11 of our April 10, 1987 response, The Anaconda Company did not own land at the East Helena Smelter site,

but rather leased a certain tract of land from ASARCO for its zinc fuming operations, including a portion of the slag dump that was within the tract of land. Under the Agreement of Lease and the April 1, 1958 Residues and Lead Concentrate Treatment Contract, The Anaconda Company had the right to remove up to a maximum of 250 tons/day of dump slag (or in certain limited circumstances 450 tons/day) for treatment in its zinc fuming plant. The Anaconda Company did not own the slag dump. Residues and Lead Concentrate Treatment Contract, Paragraph 23. The Residues and Lead Concentrate Treatment Contract specifically provided,

Nothing herein contained shall be construed to prevent ASARCO from removing slag from <u>its</u> dump and any valuable material therein contained . . .

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Under the Agreement of Lease and the Residues and Lead Treatment Contract, ASARCO maintained control over the removal of slag from the waste dump and the disposal of treated slag. See Paragraph 6 of the Agreement of Lease and Paragraphs 23 and 25 of the Residues and Lead Concentrate Treatment Contract. Paragraph 25 of the Residues and Lead Concentrate Treatment Contract explicitly provides that ASARCO, rather than The Anaconda Company, was the owner of all slag treated by Anaconda in the zinc fuming plant:

Slag resulting from the treatment by Anaconda of all slag hereunder shall be the property of ASARCO and at the option of ASARCO be either returned to ASARCO in molten condition at the furnace of Anaconda or shall be returned to ASARCO by placing it on a dump on that portion of the property of ASARCO which Anaconda has the right to occupy and use under the [Agreement of Lease], or on other property designated by ASARCO which is nearby and accessible . . .

ASARCO also owned the blast furnace slag which was delivered from the "furnace of ASARCO to furnace of Anaconda." Paragraph 20 of the Residues and Lead Treatment Contract. The Anaconda Company paid

ASARCO a treatment charge for the blast furnace slag. <u>Id.</u>, Paragraph 21. As noted above, all treated slag from the zinc fuming plant, including treated blast furnace slag, was the property of ASARCO. <u>Id.</u>, Paragraph 23.

The Anaconda Company delivered all residues and lead concentrates to ASARCO for treatment f.o.b. railroad cars at unloading bins at ASARCO's plant at East Helena. ASARCO accepted such deliveries. We are unable to determine at this time whether ASARCO stockpiled the residues and lead concentrates. ASARCO may have this information. Since we have not determined whether ASARCO stockpiled the materials, we have not evaluated ownership of the stockpile.

By providing this response to your February 8, 1990 Information Request and submitting the attached documents, ARCO and its subsidiaries, divisions and units do not admit, and reserve the right to contest, any liability or responsibility with respect to the East Helena CERCLA site.

If you have any questions concerning this response, please do not hesitate to call.

Sincerely.

Robert L. Dent

Minerals Projects Manager

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RLD/das

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